

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number S/001/0074 Mine Name Maria Pit Overbend Dump File

Operator GENE HENRIE DBA QUALITY CRUSH Date Sent AUGUST 4 2011
TO _____ FROM _____

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☐ OTHER _____

Description

YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded

NOTICE OF FILE CLOSURE AND RELEASE OF RECLAMATION SURETY

2011 - 08042011

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded

BOND FILE

CONFIDENTIAL

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded

BOND FILE

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____

Account Number:

Account Name: OGM - Gene Henrie dba Quality Crushing

Tran #: 17419620

Admin Name: Raylyn Daniel - UST 801-844-8523

Date: 07/15/2011

This check constitutes payment of the following:

Escrow Disbursements
final release of acct #

Paid For:

Amount: **\$23,558.11**

110023070

Payee:

OGM - Gene Henrie dba Quality Crushing
c/o Utah State Treasurer
350 N State Street Ste 180
PO Box 142315
Salt Lake City UT 84114-2315

HARLAND CLARKE M17873 10478900

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD TO LIGHT TO VIEW

OFFICIAL CHECK

110023070

Zions First National Bank
Salt Lake City, Utah
801-844-7089

OGM - Gene Henrie dba Quality Crushing

Trust Account

7/15/2011

\$23,558.11*

Twenty Three Thousand Five Hundred Fifty Eight Dollars & 11/100

Pay to the Order Of:

OGM - Gene Henrie dba Quality Crushing
c/o Utah State Treasurer
350 N State Street Ste 180
PO Box 142315
Salt Lake City UT 84114-2315



RECEIVED

JAN 05 2009

FORM MR-RC (SMO)
Revised August 9, 2006
RECLAMATION CONTRACT

Mine Name: Maria Pit Overbend Dump Pile
DIV. OF OIL, GAS & MINING

Other Agency File Number:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

---ooOoo---

SMALL MINE RECLAMATION CONTRACT

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Gene Henrie dba Quality Crushing the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. S0010074 which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:
 - A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and workings; refuse banks or spoil piles; evaporation or settling

ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
5. If the Surety expressly provides for cancellation or termination for non-renewal:
- A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
 - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation

obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

Quality Crushing
Operator Name

By Gene Henrie
Authorized Officer (Typed or Printed)

owner
Authorized Officer - Position

[Signature] 12-26-08
Officer's Signature Date

STATE OF Utah)
COUNTY OF Beaver) ss:

On the 26 day of December, 20 08, Gene Henrie personally appeared before me, who being by me duly sworn did say that he/she is an owner (owner, officer, director, partner, agent or other (specify)) of the Operator Quality Crushing and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Kelly Hutchinson
Notary Public
Residing at Beaver
4-1-12
My Commission Expires:



DIVISION OF OIL, GAS AND MINING:

By John R. Baza
John R. Baza, Director

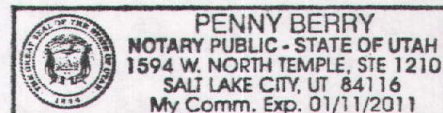
1/14/09
Date

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 14 day of January, 2009, John R. Baza
personally appeared before me, who being duly sworn did say that he, the said
John R. Baza is the Director of the Division of Oil, Gas and Mining,
Department of Natural Resources, State of Utah, and he duly acknowledged to me that
he executed the foregoing document by authority of law on behalf of the State of Utah.

Penny Berry
Notary Public
Residing at: Salt Lake

1/11/2011
My Commission Expires:



FACT SHEET

Commodity: Road Base

Mine Name: Maria Pit Overburden Dump Pile

Permit Number: S/001/0074

County: Beaver

Disturbed Acres: 2.5 Acres

Operator Name: Gene Henrie, dba Quality Crushing

Operator address: 956 South Canyon Drive, Cedar City, Utah 84751

Operator telephone: 435-865-5870

Operator fax: _____

Operator email: _____

Contact: Gene Henrie

Surety Type: Cash

Held by (Bank/BLM): DOGM

Surety Amount: \$5,400.00

Surety Account Number: _____

Escalation Year: _____

Tax ID or Social Security (for cash only): _____

Surface owner: Western Utah Copper Company

Mineral owner: Western Utah Copper Company

UTU number: 02-0082-0003

Acres: 17.045

Acct [REDACTED] WESTERN UTAH COP Effect: 11/25/08 Post: 11/25/08 Tlr: 1007 Time: 11:30am
Purpose of check: 5,400.00 Check Number: 0001185302

Payee: DEPARTMENT OF OIL, GAS, & MINING

(See receipt for reference)

RECEIVED
DEC 01 2008
DIV. OF OIL, GAS & MINING

THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK PRINTED ON THE BACK. THE FRONT OF THE DOCUMENT HAS A MICROPRINT SIGNATURE LINE AND BORDER. ABSENCE OF THESE FEATURES WILL INDICATE A COPY.

80398 / FXQ 52362-P

3240



MOUNTAIN AMERICA
FEDERAL CREDIT UNION

CASHIER'S CHECK

01 1185302

P.O. Box 9001, West Jordan, Utah 84084-9001 • 1-800-748-4302 • www.macu.com



16-4220/1220

DATE 11/25/08

PAY

\$5,400.00

** Five Thousand Four Hundred and 00/100 DOLLARS **

TO THE
ORDER
OF

DEPARTMENT OF OIL, GAS, & MINING
RE: WESTERN UTAH COPPER

PAYABLE THROUGH PREFERRED BANK LOS ANGELES, CA

MOUNTAIN AMERICA FEDERAL CREDIT UNION

Angela Brumholt
AUTHORIZED SIGNATURE

MP

50010074





MOUNTAIN AMERICA
FEDERAL CREDIT UNION

P.O. Box 9001

Jordan, Utah 84084-9001 • 1-800-748-4302 • www.macu.com

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FEDERAL CREDIT UNION

CASHIER'S CHECK

01 1185302

P.O. Box 9001, West Jordan, Utah 84084-9001 • 1-800-748-4302 • www.macu.com



16-4220/1220

DATE 11/25/08

PAY ** Five Thousand Four Hundred and 00/100 DOLLARS ** \$5,400.00

TO THE
ORDER
OF

DEPARTMENT OF OIL, GAS, & MINING
RE: WESTERN UTAH COPPER

ORIGINAL CHECK
ROUTED TO ACCOUNTING

MOUNTAIN AMERICA FEDERAL CREDIT UNION

PAYABLE THROUGH PREFERRED BANK LOS ANGELES, CA

Angela Breinholt
AUTHORIZED SIGNATURE

MP

MINERALS BONDS

Cash RECEIPT

Date 1/8/09

Amount \$ 5,400.00
Check # 01-1185302

Permit Number

50010074

Operator

Genie Henrie dba Quality Crushing

For/Memo

Surety

Signature

Penny Berry

Acct [REDACTED] WESTERN UTAH COP Effect: 11/25/08 Post: 11/25/08 Tlr: 1007 Time: 11:30am
Purpose of check: 5,400.00 Check Number: 0001185302

Payee: DEPARTMENT OF OIL, GAS, & MINING

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MOUNTAIN AMERICA
FEDERAL CREDIT UNION

CASHIER'S CHECK

01 1185302

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16-4220/1220

DATE 11/25/08

PAY

\$5,400.00

** Five Thousand Four Hundred and 00/100 DOLLARS **

TO THE
ORDER
OF

DEPARTMENT OF OIL, GAS, & MINING
RE: WESTERN UTAH COPPER

PAYABLE THROUGH PREFERRED BANK LOS ANGELES, CA

MOUNTAIN AMERICA FEDERAL CREDIT UNION

Angela Breunholt
AUTHORIZED SIGNATURE

MP

Endorsed

WESTERN UTAH COPPER COMPANY

November 25, 2008

Mr. Paul Baker
Mineral Program Manager
Department of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Gene Henrie, dba Quality Crushing
S/001/0074

Mr. Baker:

On behalf of Gene Henrie, dba Quality Crushing, please find enclosed our cashier check in the amount of \$5,400.00 to cover the reclamation surety requirements for the above mentioned Notice of Intension.

Sincerely:



Ronald J. Wunderlich
Western Utah Copper Company

RECEIVED

DEC 01 2008

DIV. OF OIL, GAS & MINING

From: Penny Berry
To: ronw@scinternet.net
Date: 1/7/2009 7:48 AM
Subject: Fact Sheet

Hi Ron,

I have attached the fact sheet, this was the last page of the reclamation contract. It needs to be completed and returned, you can do this by email. Since the bond is cash we will need your tax ID # or your SSN. There is a place for you to provide this information on the fact sheet. If you have any questions please call me or email. Thank you.

Penny Berry
801-5291

From: Penny Berry
To: ronw@scinternet.net
Date: 12/22/2008 10:46 AM
Subject: Reclamation Contract S0010074

We have received your check in the amount of \$5,400.00. We need to have you sign, notarize, complete the fact sheet and return the reclamation contract (attached). If you have any questions please call or email bondcoordinator@utah.gov. Thanks.

Penny Berry
801-538-5291

From: "Ron Wunderlich" <ronw@scinternet.net>
To: "Tom Munson" <tommunson@utah.gov>
Date: 12/9/2008 1:37 PM
Subject: Re: S/001/0074

Tom:

Send the documents to me so I know they get them executed and delivered back to you.

----- Original Message -----

From: Tom Munson
To: Ron Wunderlich
Sent: Tuesday, December 09, 2008 12:54 PM
Subject: Re: S/001/0074

Gene needs to sign the reclamation contract unless you are a principal of the company and can take responsibility for the reclamation. You can coordinate the contract and just get gene to sign?

Tom Munson
801-538-5321
tommunson@utah.gov

>>> "Ron Wunderlich" <ronw@scinternet.net> 12/9/2008 10:56 AM >>>

Tom:

I have been the runner for Gene Henrie, do you want me to take care of this or does Gene Henrie need to do this.

Ron

----- Original Message -----

From: Tom Munson
To: Ron Wunderlich
Sent: Tuesday, December 09, 2008 9:51 AM
Subject: Re: S/001/0074

Ron, we did get it and you need to have Gene contact Penny to complete a reclamation contract. 801-538-5291.

Tom Munson
801-538-5321
tommunson@utah.gov

>>> "Ron Wunderlich" <ronw@scinternet.net> 12/9/2008 9:36 AM >>>

Tom:

A copy of my letter and the official check in the amount of \$5,400 for the road base crushing operation.

Ron

From: Tom Munson
To: Wunderlich, Ron
Date: 12/9/2008 9:51 AM
Subject: Re: S/001/0074

Ron, we did get it and you need to have Gene contact Penny to complete a reclamation contract. 801-538-5291.

Tom Munson
801-538-5321
tommunson@utah.gov

>>> "Ron Wunderlich" <ronw@scinternet.net> 12/9/2008 9:36 AM >>>
Tom:

A copy of my letter and the official check in the amount of \$5,400 for the road base crushing operation.

Ron

From: Tom Munson
To: Penny Berry
Date: 12/9/2008 1:45 PM
Subject: Fwd: Re: S/001/0074

Penny,
Please send the reclamation contract to Ron. Thanks tom

Tom Munson
801-538-5321
tommunson@utah.gov

WESTERN UTAH COPPER COMPANY

November 25, 2008

Mr. Paul Baker
Mineral Program Manager
Department of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Gene Henrie, dba Quality Crushing
S/001/0074

Mr. Baker:

On behalf of Gene Henrie, dba Quality Crushing, please find enclosed our cashier check in the amount of \$5,400.00 to cover the reclamation surety requirements for the above mentioned Notice of Intension.

Sincerely:



Ronald J. Wunderlich
Western Utah Copper Company

RECEIVED

DEC 01 2008

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 5, 2008

Gene Henrie
956 S. Canyon Drive
Cedar City, Ut 84720

Subject: Reclamation Surety Required, Gene Henrie DBA Quality Crushing, Marie Pit Overburden Dump Pile, S/001/0074, Beaver County, Utah

Dear Mr. Henrie:

The Division finds your Notice of Intention to Conduct Small Mining for the Marie Pit Overburden Dump Pile complete. Prior to conducting mining activities the Division must approve the reclamation surety. The reclamation surety is determined to be \$5,400 for the 2.5 acre project escalated to year 2011. The Division decided to allow a reduced surety, based on the fact, all activity will occur on an existing historic rock dump waste pile. The bond was calculated on the assumption of \$3,400 for the first acre, including a mobilization of a piece of equipment, and \$1,000 for each additional acre. This bond assumes regrading will occur at the end of the project to bring the dump to a stable configuration.

Please submit the reclamation surety and Reclamation Contract within the next 30 days. No mining related disturbance can be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including cash, an irrevocable letter of credit, a certificate of deposit, or a surety bond. Please contact Penny Berry at (801) 538-5291 or e-mail bondcoordinator@utah.gov for assistance in completing this requirement.

Thank you for your cooperation to help finalize this permitting action. In reply, please refer to file number S/001/0074.

Sincerely,

Paul Baker
Mineral Program Manager

PB:tm:vs

Task ID# 2734

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